

**1ST QUARTERLY ACCOUNTS
FOR THREE MONTHS ENDED
SEPTEMBER 30,2024
(UN AUDITED)**

PARAMOUNT SPINNING MILLS LIMITED

PARAMOUNT SPINNING MILLS LIMITED
COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Muhammad Akhtar Mirza (Chairman)
Mr. Sohail Maqsood (Chief Executive)
Mr. Muhammad Ashraf Khan
Mr. Abid Sattar
Mr. Muhammad Arif
Mrs. Zarqa Asif
Mr. Muhammad Junaid

AUDIT COMMITTEE

Mr. Muhammad Junaid (Chairman)
Mr. Abid Sattar
Mr. Muhammad Akhtar Mirza

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Muhammad Arif (Chairman)
Mr. Abid Sattar
Mr. Muhammad Akhtar Mirza

CHIEF FINANCIAL OFFICER

Mr. Nasir Mahmood

COMPANY SECRETARY

Mr. Muhammad Ijaz

AUDITORS

M/s. Malik Haroon Ahmad & Co.
Chartered Accountants.
Lahore

LEGAL ADVISOR

Akhtar Javed-Advocate

SHARE REGISTRAR OFFICE

M/s. Hameed Majeed Associates (Pvt) Ltd.
Karachi Chamber
Hasrat Mohani Road Karachi
Ph. 32424826, 32412754, Fax. 32424835

REGISTERED OFFICE

2nd Floor Finlay House I.I. Chundrigar Road, Karachi

REGIONAL OFFICE

2nd Floor, Garden Heights, 8-Aibak Block,
New Garden Town, Lahore

WEB PRESENCE

<http://www.gulshan.com.pk/corporate/paramount.html>



Paramount Spinning Mills Limited

2nd Floor Finlay House I.I. Chundrigar Road ,
Karachi (Pakistan)

Director's Report to Shareholders

The Director of your company pleased to present unaudited financial statements of the Company for the Three months ended September 30, 2024.

Operating & Financial Performance

Operating indicators	Three Months Ended September 30,2024	Three Months Ended September 30,2023
	(Rupees)	(Rupees)
Sales	-	-
Gross loss	-	-
Pre tax Profit/ (Loss)	212,910	(504,142)
Provision for taxation	-	-
Profit / (Loss) after taxation	212,910	(504,142)

Over View:

A Scheme of arrangement under section 279 to 283 and 285 of the Companies Act 2017 ("Scheme of Arrangement") was filed before Sindh High Court at Karachi vide J.C.M. Petition No. 05/19. The Sindh High Court vide its order dated October 25, 2019, sanctioned the Scheme of Arrangement which is being implemented. The Assets of the company were sold by the Asset sale committee constituted by court comprising of five leading financial institutions, however the pending litigation with the Banks by and against the company is being withdrawn in terms of the Scheme of Arrangement and other ancillary matters shall also be dealt with in accordance with the Scheme of Arrangement.

Future Outlook

The Scheme of Arrangement shall be implemented and legal proceedings with the Banks by and against the Company shall be withdrawn in terms of the Scheme of Arrangement. There after the Company would be in a better position to structure the way forward.

Acknowledgement

The Board wishes to place on record its appreciation for the employees, members of management team for their efforts, commitment and hard work during this tough time.

On behalf of the Board

SOHAIL MAQSOOD
CHIEF EXECUTIVE


Lahore:- 29.10.2024

PARAMOUNT SPINNING MILLS LIMITED
CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT 30 SEPTEMBER 2024

	NOTE	30 SEPT 2024 (Unaudited) Rupees	30 JUNE 2024 (Audited) Rupees
ASSETS			
Non Current Assets			
Operating assets	5	4,519,187	4,642,028
Trade and other receivables		-	7,941,000
Loans and advances		30,000	30,000
Tax refund due from Government		16,088,842	16,012,308
Cash and bank balances		15,831,576	12,145,059
Total Assets		36,469,605	40,770,395
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorised capital			
25,000,000 (30 June 2023: 25,000,000) ordinary shares of Rs.10/- each		<u>250,000,000</u>	<u>250,000,000</u>
Share Capital		173,523,290	173,523,290
Reserves		475,400,000	475,400,000
Sub-ordinated Loan		175,000,000	175,000,000
(Accumulated loss) / unappropriated profit		<u>(1,412,603,420)</u>	<u>(1,412,816,330)</u>
		(588,680,130)	(588,893,040)
Non Current Liabilities			
Loan from associates and other parties		598,134,891	598,134,891
Post employment benefits payables		2,241,765	2,241,765
Trade and other payables		23,654,243	28,167,943
Unclaimed dividend		1,118,836	1,118,836
		<u>625,149,735</u>	<u>629,663,435</u>
Contingencies and Commitments	6		
Total equity and liabilities		36,469,605	40,770,395

The annexed notes from 1 to 9 form an integral part of this condensed interim financial information.


SOHAIL MAQSOOD
CHIEF EXECUTIVE


CFO


ABID SATTAR
DIRECTOR

PARAMOUNT SPINNING MILLS LIMITED
 CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
 FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2024

	QUARTER ENDED	
	2024	2023
Loss after taxation	212,910	(504,142)
Other comprehensive income	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>212,910</u>	<u>(504,142)</u>

The annexed notes from 1 to 9 form an integral part of this condensed interim financial information.


 SOHAIL MAQSOOD
 CHIEF EXECUTIVE


 CFO


 ABID SATTAR
 DIRECTOR

PARAMOUNT SPINNING MILLS LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2024

	NOTE	30 SEPT 2024	30 SEPT 2023
		Rupees	
CASH FLOWS FROM OPERATING ACTIVITIES	7	3,684,545	60,000
Cash generated from operations			
Finance cost paid		1,972	-
Interest received		-	-
Income tax paid		-	-
Gratuity paid		-	(60,000)
Net cash used in operating activities		3,686,517	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Loan from associates and other parties- net		-	-
Net cash generated from financing activities		-	-
Net (decrease) / increase in cash and cash equivalents		3,686,517	-
Cash and cash equivalents - at beginning of the year		12,145,061	4,403,588
Cash and cash equivalents - at end of the year		15,831,578	4,403,588

The annexed notes from 1 to 9 form an integral part of this condensed interim financial information.


SOHAIL MAQSOOD
CHIEF EXECUTIVE


CFO


ABID SATTAR
DIRECTOR

PARAMOUNT SPINNING MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2024

Share Capital	General Reserve			sub-ordinated loan	Total	
	Share Premium	General reserve	Accumulated losses			
----- Rupees -----						
Balance as at 01 July 2023	173,523,290	15,400,000	460,000,000	(1,426,902,331)	175,000,000	(602,979,041)
Total Comprehensive loss for the three months ended September 30,2023		-	-	(504,142)		(504,142)
Surplus on revaluation of operating fixed assets realised during the period : - on account of incremental depreciation for the period		-	-	(504,142)	-	(504,142)
Balance as at 30 September 2023	173,523,290	15,400,000	460,000,000	(1,427,406,473)	175,000,000	(603,483,183)
Balance as at 01 July 2024	173,523,290	15,400,000	460,000,000	(1,412,816,330)	175,000,000	(588,893,040)
Total Comprehensive loss for the three months ended September 30,2024		-	-	212,910		212,910
Surplus on revaluation of operating fixed assets realised during the period : - on account of incremental depreciation for the period		-	-	212,910	-	212,910
Balance as at 30 September 2024	173,523,290	15,400,000	460,000,000	(1,412,603,420)	175,000,000	(588,680,130)

The annexed notes from 1 to 9 form an integral part of this condensed interim financial information.


SOHAIL MAQSOOD
CHIEF EXECUTIVE


CFO


ABID SATTAR
DIRECTOR

PARAMOUNT SPINNING MILLS LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2024

1. THE COMPANY

1.1 Paramount Spinning Mills Limited (the Company) was incorporated as a public limited Company on August 22, 1981 and its shares are listed on Karachi and Lahore Stock Exchanges (now Pakistan Stock Exchange Limited). The registered office is located at Finlay House, I.I. Chundrigar Road, Karachi.

1.2 Scheme of arrangement with secured creditors

The Company along with its restructuring agent - United Bank Limited and majority of the lending financial institutions had signed a "Scheme of Arrangement" dated March 13, 2019 under sections 279 to 283 read with section 285 of the Companies Act, 2017 ("the Act"). The Scheme of Arrangement was sanctioned by the Hon'ble High Court of Sindh at Karachi vide order dated October 25, 2019, passed in J. C. M. Petition No. 5 of 2019. The Scheme of Arrangement, after its sanctioning by the Court became binding on the Company, along with all the shareholders, creditors, stakeholders and any other regulatory / statutory bodies of/ or with respects to the Company. Under the Scheme of Arrangement, the existing financial obligations / liabilities of the Company towards the secured creditors had to be settled by way of sale of moveable and immovable charged assets of the Company, distribution of the sale proceeds among the secured creditors and withdrawal of all pending litigations. Asset sale committee, pursuant to the terms of scheme of arrangement has sold all charged assets and proceeds thereof have been distributed among the secured creditors and lenders for the balances due to them. The pending litigations filed by and against the Company are now being withdrawn in accordance with terms of the scheme of arrangement.

2. BASIS OF PREPARATION

This condensed interim financial information is un-audited and is being submitted to the members in accordance with section 237 of the Companies Act, 2017. It has been prepared in accordance with the requirements of the International Accounting Standard 34 - 'Interim Financial Reporting' and provisions of and directives issued under the Companies Act, 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017 have been followed. This condensed interim financial information does not include all the information required for annual financial statements and therefore, should be read in conjunction with the audited annual financial statements of the Company for the year ended June 30, 2024.

3. ACCOUNTING POLICIES

The accounting policies adopted for the preparation of this condensed interim financial information are same as those applied in the preparation of preceding audited annual financial statements of the Company for the year ended June 30, 2024.

4. ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of this condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates and assumptions. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. However, actual results may differ from these estimates.

Estimation and judgements made by the management in the preparation of this condensed interim financial information were the same as those that were applied to the audited annual financial statements for the year ended June 30, 2024.

5. Operating fixed assets		Un-audited September 30, 2024	Audited June 30, 2024
	Note	----- (Rupees) -----	
Operating fixed assets	5.1	4,519,187	4,642,028
		<u>4,519,187</u>	<u>4,642,028</u>

5.1 Operating fixed assets

Book value at beginning of the period / year	4,642,028	5,195,532
Depreciation charge for the period / year	(122,841)	(553,504)
Book value at end of the period / year	<u>4,519,187</u>	<u>4,642,028</u>

6. CONTINGENCIES AND COMMITMENTS

6.1 Contingencies

There is no change in the matter detailed in note 18.1 to 18.4 to the Company's published annual financial statements for the year ended June 30, 2024.

6.2 Commitments

There is no change in the matter as detail in note 18.5 to the Company's published annual financial statements for the year ended June 30, 2024.

7. CASH GENERATED FROM OPERATIONS		Quarter ended	
	Note	September 30, 2024	September 30, 2023
		----- (Rupees) -----	
(Loss) / profit before taxation		212,910	(504,142)
Adjustments for non-cash charges and other items			
Depreciation of operating fixed assets		122,841	134,057
Finance cost		(1,972)	-
Interest income			-
Working capital changes	7.1	3,350,766	430,084
		<u>3,684,545</u>	<u>59,999</u>
7.1 Movement in working capital			
(Increase) / decrease in current assets:			
Loans and advances		-	10,000
Trade and other receivable		7,941,000	
Other receivables		(76,534)	-
		<u>7,864,466</u>	10,000
Increase / (decrease) in trade and other payables		(4,513,700)	420,084
		<u>3,350,766</u>	<u>430,084</u>

8. RELATED PARTY TRANSACTIONS

8.1 The related parties comprises associated companies, directors and key management personnel. Transaction with related parties are carried out on arm's length basis. Aggregate transactions and balances with associated companies during the period was NIL.

9. GENERAL

9.1 Figures have been rounded off to the nearest rupee except stated otherwise.

9.2 This condensed interim financial information has been authorized for issue by the Board of Directors of the Company on 29-10-2024.


SOHAIL MAQSOOD
CHIEF EXECUTIVE



CFO


ABID SATTAR
DIRECTOR